The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ridge.

## DIGEST 2017 Regular Session

Morrell

Present law provides relative to the La. Home Inspector Board.

SB 257 Original

<u>Present law</u> defines "home inspector" as any person who, in accordance with the provisions of this Chapter, holds himself out as a home inspector to the general public or engages in the business of performing home inspections on resale residential buildings for compensation or who examines any component of a building, through visual means and through normal user controls, without the use of mathematical sciences.

<u>Proposed law</u> defines "home inspector" as any person who, in accordance with the provisions of this Chapter, holds himself out as a home inspector to the general public or engages in the business of performing home inspections on resale residential buildings for compensation and who examines any component of a building, through visual means and through normal user controls, without the use of mathematical sciences.

<u>Present law</u> provides that board members shall be appointed by the governor from a list of names submitted by the board of directors of the La. Chapter of the American Society of Home Inspectors, the La. Realtors Association, the La. Homebuilders Association, and the La. Mortgage Lenders Association.

<u>Proposed law</u> adds a member at large to the board and removes the ability of the board of directors of the La. Mortgage Lenders Association to contribute to the list of names submitted to the governor for appointment consideration.

Present law provides that members shall be appointed for six years.

Proposed law reduces the length of the term from six years to four years.

Present law provides that the board may charge and collect fees not in excess of certain amounts.

<u>Proposed law</u> adds authorization for the board to collect credit card service fees not to exceed the amount charged to the board by the financial institution.

Present law requires home inspectors to satisfy certain criteria.

<u>Proposed law</u> retains <u>present law</u> and adds that applicant shall submit a criminal background request form to the office of state police.

Present law provides that the term "licensed home inspector" along with the license number shall

appear on all advertising, correspondence, and documents incidental to a home inspection.

<u>Proposed law</u> retains <u>present law</u> and adds that the term "licensed home inspector" or "L.H.I" shall appear on reports.

Present law provides for insurance requirements for home inspectors.

<u>Proposed law</u> provides that the board shall establish terms and conditions of errors and omissions insurance coverage, including but not limited to the permissible deductible, limits of liability, and permissible exclusions. Such terms and conditions of errors shall be established by rule in accordance with the Administrative Procedure Act.

<u>Present law</u> provides that each licensee shall be notified of the required terms and conditions of coverage for the annual policy at least thirty days prior to the annual renewal date. Each licensee who chooses not to participate in the group insurance program administered by the board shall file with the board a certificate of coverage showing compliance with the required terms and conditions of coverage by the annual license renewal date.

<u>Proposed law</u> provides that each licensee shall file with the board a certificate of coverage showing compliance with the required terms and conditions of coverage by the annual license renewal date.

Effective August 1, 2017.

(Amends R.S. 37:1473(5), 1474(B) and (D), 1479(D), and 1481(A)(2) and (3), adds R.S. 37:1477(B)(8) and (C)(6))